



## II. HOUSING NEEDS ASSESSMENT

This section of the Housing Element discusses the characteristics of the City's population and housing stock as a means of better understanding the nature and extent of unmet housing needs. A variety of housing needs maps are presented based on census tract data; Figure 1 depicts the 2010 census tract boundaries for Huntington Beach.

### A. DEMOGRAPHIC AND EMPLOYMENT PROFILE

Demographic changes such as shifts in age structure, as well as change in the community's employment base can have a significant impact on housing needs. This section addresses population, age, race/ethnicity, and employment trends in Huntington Beach.

#### 1. Population Growth and Trends

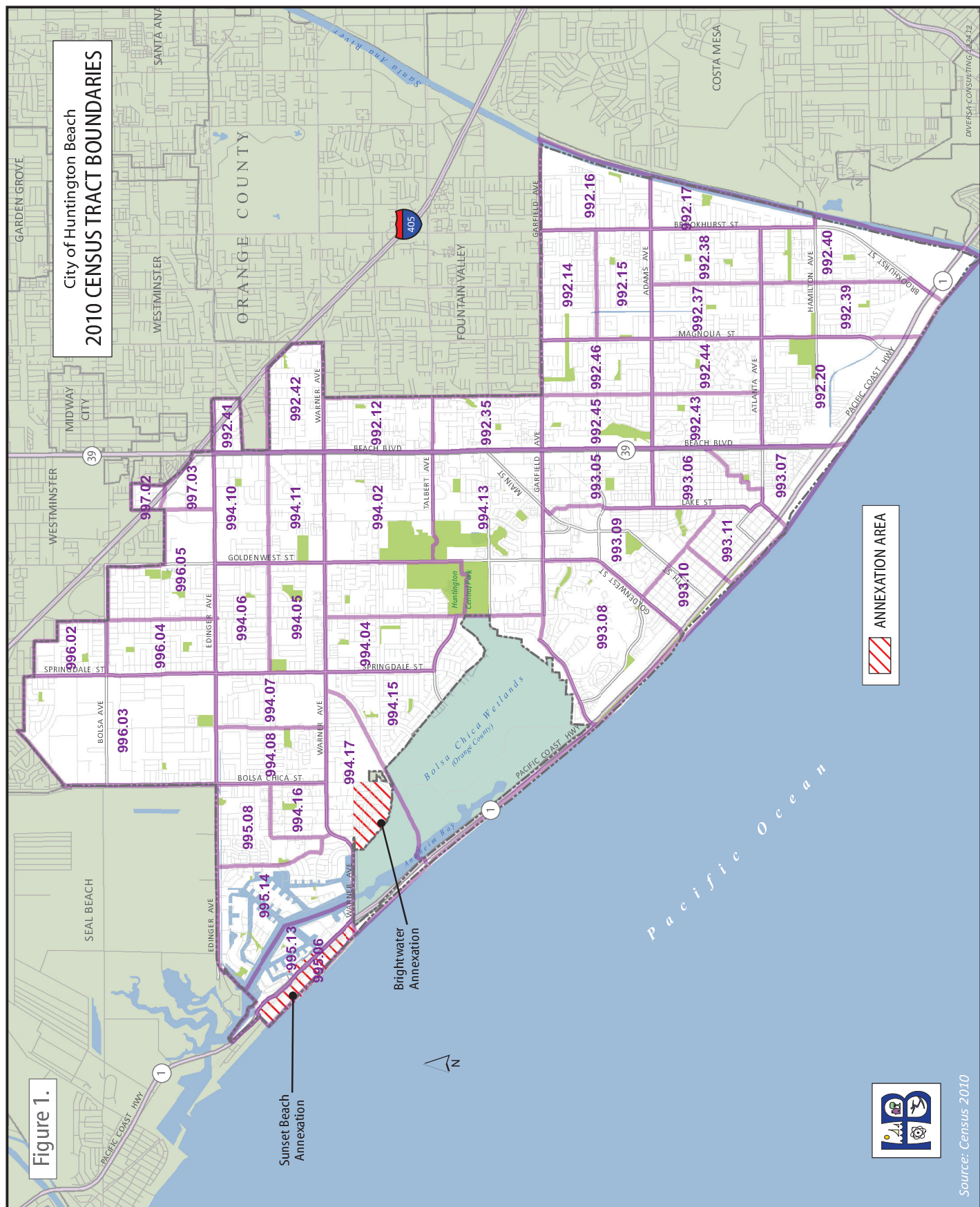
Table II-1 presents population growth trends in Huntington Beach and the Orange County region from 1980-2010. This table illustrates the high level of population growth in the County between 1980 and 2000, with more modest growth levels in many of the older central and north Orange County communities. In Huntington Beach, the rate of population growth was less than one-third the County-wide average in both the 1980s and 1990s. The 2010 Census documents Huntington Beach's population at 189,992, representing an increase of just 300 residents over the most recent decade. In August 2011, the Sunset Beach community was annexed into Huntington Beach, adding approximately 970 residents to the City's population.

In terms of future trends, the Southern California Association of Governments (SCAG) Regional Transportation Plan/Sustainable Communities Strategy Growth Forecast projects a 5.3 percent increase in Huntington Beach's population over the 2008-2020 period, for an estimated 2020 population of just under 200,000.

**Table II-1: Regional Population Growth Trends 1980-2010**

Jurisdiction	1980	1990	2000	2010	Percent Change		
					1980-1990	1990-2000	2000-2010
Anaheim	219,311	266,406	328,014	336,265	22%	23%	3%
Costa Mesa	82,562	96,357	108,724	109,960	17%	13%	1%
Fountain Valley	55,080	53,691	54,978	55,313	-3%	2%	<1%
<b>Huntington Beach</b>	<b>170,505</b>	<b>181,519</b>	<b>189,627</b>	<b>189,992</b>	<b>7%</b>	<b>5%</b>	<b>&lt;1%</b>
Irvine	62,127	110,330	143,072	212,375	44%	23%	48%
Newport Beach	62,556	66,643	70,032	85,186	7%	5%	22%
Santa Ana	203,713	293,742	337,977	324,528	44%	15%	4%
Seal Beach	25,975	25,098	24,157	24,168	-3%	-4%	0%
Westminster	71,133	78,118	88,207	89,701	10%	13%	2%
Total Orange County	1,932,709	2,410,556	2,846,289	3,010,232	25%	18%	6%

Source: U.S. Census 1980, 1990, 2000 and 2010.



## 2. Age Characteristics

Housing need is often affected by the age characteristics of residents in the community. Different age groups have different lifestyles, income levels, and family types that influence housing needs.

Table II-2 displays the age distribution of the City's population in 2000 and 2010, and compares this with Orange County. As displayed in the table, 21 percent of Huntington Beach's population is comprised of children under the age of 18, slightly below the 24 percent children Countywide. The Census documents a decrease in approximately 3,400 children in Huntington Beach over the decade, with the City's two largest elementary/middle school districts (Ocean View and Huntington Beach City) evidencing similar trends. Within the Huntington Beach City School District, while enrollment levels declined throughout the first half of the decade as many families with school age children relocated to lower cost housing markets, enrollment levels in recent years have begun to increase once again to levels comparable to those in 2000. School District staff attribute the increase to inter-district transfers – the transfer of children into the Huntington Beach City School District from outside the district.

The biggest change in Huntington Beach's age profile is a shift from a younger population to a more mature population. This aging trend is borne out by an increase in the median age from 36 years in 2000 to 40.2 years in 2010, now considerably above the County's median age of 36.2 years. (The median age in the newly annexed Sunset Beach community is 46.9 years, exceeding the City's median age by over six years). The City experienced a significant decline in its young adult (25-44 years) population over the past decade, while experiencing growth in the middle adult (45-64 years) and senior (65+ years) populations. The college age (18-24 years) population remained constant over the decade. Factors contributing to this shift in the City's age structure include an aging in place of young adults into the middle age bracket, and the limited number of new young adults and families moving into the community due in part to high housing costs.

**Table II-2: Age Distribution 2000-2010**

Age Group	2000		2010		Orange Co. %
	Persons	Percent	Persons	Percent	
Preschool (<5 yrs)	11,728	6%	9,665	5%	6%
School Age (5-17 yrs)	30,455	16%	29,197	16%	18%
College Age (18-24 yrs)	15,930	9%	16,172	9%	10%
Young Adults (25-44 yrs)	66,245	35%	54,024	28%	28%
Middle Age (45-64 yrs)	45,580	24%	53,978	28%	26%
Seniors (65+ years)	19,656	10%	26,956	14%	12%
TOTAL	189,594	100%	189,992	100%	100%
MEDIAN AGE	36 years		40.2 years		36.2 years

Source: U.S. Census 2000 and 2010.

### 3. Race and Ethnicity

Table II-3 displays the racial/ethnic composition of Huntington Beach's population in 2000 and 2010, and compares this with the Countywide distribution. White residents continue to comprise the vast majority of the City's population, though this segment of the population continues to decrease each decade, most recently from 72 percent in 2000 to 67 percent in 2010. This decrease in White residents was offset by the increase in both the Hispanic and Asian/Pacific Islander populations. Hispanic residents grew from 15 to 17 percent, and Asian/Pacific Islander residents grew from 9 to 11 percent of the population; however this is still well below the 34 percent Hispanic and 18 percent Asian/Pacific Islander populations Countywide. African Americans and American Indians each continue to comprise less than one percent of the City's population. The "Other Race" sector remained fairly constant over the decade at three percent of the population. Despite Huntington Beach's increasing diversity, the City remains less ethnically diverse than the County as a whole.

**Table II-3: Racial and Ethnic Composition 2000-2010**

Racial/Ethnic Group	2000		2010		
	Persons	Percent	Persons	Percent	Orange Co. %
White	136,237	72%	127,640	67%	44%
Hispanic	27,798	15%	32,411	17%	34%
Asian/Pacific Islander	17,976	9%	21,387	11%	18%
African American	1,383	<1%	1,635	<1%	1%
American Indian	777	<1%	532	<1%	<1%
Other Race	5,423	3%	6,387	3%	3%
TOTAL	189,594	100%	189,992	100%	100%

Source: U.S. Census 2000 and 2010.

### 4. Employment

The recent economic recession had a significant impact on job growth in Orange County, with the loss in over 100,000 jobs between 2006-2010. Similarly, the number of jobs in Huntington Beach fell from approximately 81,600 in 2006 to 73,300 in 2010, representing a ten percent decrease.<sup>1</sup> Since that time, the economy has begun to turn around, with the Orange County Business Council reporting an increase in 35,000 private sector jobs in the County during the first three quarters of 2012, and projected continued job growth in 2013 and 2014.<sup>2</sup> Within Huntington Beach, employment is projected to grow to 80,100 jobs by 2020, bringing the City's employment base back to near pre-recessionary levels.<sup>3</sup>

<sup>1</sup> Orange County Projections (OCP) 2006 and 2010. OCP forecasts are consistent with SCAG's Regional Transportation Plan/Sustainable Communities Strategy.

<sup>2</sup> 2012 Orange County Workforce Housing Scorecard, Orange County Business Council.

<sup>3</sup> OCP-2010.

Table II-4 identifies the largest corporate employers in Huntington Beach, and illustrates the strong presence of aerospace, retail, hospitality and healthcare industries.

**Table II-4: Major Corporate Employers in Huntington Beach**

<ul style="list-style-type: none"> <li>• The Boeing Company</li> <li>• Quiksilver</li> <li>• Cambro Manufacturing</li> <li>• Verizon</li> <li>• Hyatt Regency Resort &amp; Spa</li> <li>• C &amp; D Aerospace</li> <li>• Fisher &amp; Paykel</li> </ul>	<ul style="list-style-type: none"> <li>• Huntington Beach Hospital</li> <li>• Rainbow Environmental Services</li> <li>• Home Depot USA</li> <li>• Huntington Valley Healthcare</li> <li>• Hilton Waterfront Beach Resort</li> <li>• Cleveland Golf</li> <li>• Walmart</li> </ul>
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Source: Huntington Beach Chamber of Commerce, Community Overview.

The Census identifies approximately 61,000 primary jobs in Huntington Beach in 2010.<sup>4</sup> As depicted in Table II-5, manufacturing (21.8%) is the most dominant employment sector, followed by retail trade (21.1%), and accommodation and food services (11.4%).

**Table II-5: Primary Jobs by Industry Sector 2010**

Industry Sector	# Jobs	% Total Jobs
Manufacturing	13,363	21.8%
Retail Trade	7,416	12.1%
Accommodation and Food Services	6,985	11.4%
Educational Services	5,359	8.7%
Health Care and Social Assistance	4,213	6.9%
Administration & Support, Waste Mgmt and Remediation	3,735	6.1%
Wholesale Trade	3,473	5.7%
Professional, Scientific and Technical Services	3,254	5.3%
Finance, Insurance and Real Estate	2,921	4.8%
Construction	2,699	4.4%
Other Services (excluding Public Administration)	2,600	4.2%
Public Administration	1,475	2.4%
Transportation and Warehousing and Utilities	1,209	1.9%
Information	1,138	1.8%
Management of Companies and Enterprises	644	1.1%
Arts, Entertainment and Recreation	611	1.0%
Oil and Gas Extraction, Agriculture, Forestry, Fishing	231	0.4%
<b>TOTAL</b>	<b>61,326</b>	<b>100%</b>

Source: U.S. Census 2010. OnTheMap Application. <http://onthemap.ces.census.gov/>

<sup>4</sup> The Census defines a “primary job” as the highest paying job for a worker for the year, but excluding self-employed or “informally employed” workers. While the 61,326 primary jobs in the City is approximately 16 percent below the 73,300 total jobs identified by OCP-10, the primary job data provides a greater level of detail on the City’s workforce.

Approximately one-third of Huntington Beach's primary employment is in lower paying retail, hospitality, construction and service-related industries, with wages generally below the level necessary to afford to live in the city. The Census documents that 80 percent of the 61,000 persons employed within Huntington Beach commute in from outside the City limits, indicative of the shortage of local affordable housing opportunities for the community's workforce.

## Workforce Housing Scorecard

In December 2012, the Orange County Business Council published the results of its second Workforce Housing Scorecard. This report provides a comprehensive evaluation of the current and future state of Orange County's housing supply and demand, and its effect on business competitiveness. The initial Workforce Scorecard published in 2008 identified the significant shortage of housing for the County's growing workforce, and its impact on the ability of employers to attract and maintain key workforce talent. The challenge for young families to afford housing in Orange County is apparent, with over 50,000 residents aged 20 to 34 leaving the County between 2000-2010 while the more affordable Inland Empire and San Diego regions experienced a 21 percent increase in this same age group. The Scorecard warns that the continued loss of this younger population will weaken Orange County's future workforce pool and negatively impact the long-term regional economy.

Based on the following criteria, the Scorecard rates each jurisdiction's record over the 1991-2010 period in addressing workforce housing needs:

- ✓ Number of jobs, rewarding cities that promote job growth
- ✓ Housing unit density
- ✓ Housing growth, rewarding cities that promote housing growth
- ✓ Jobs/housing balance

Of the 34 cities in Orange County, Huntington Beach ranked 4<sup>th</sup> in its success over the past two decades in generating both new jobs and the supply of homes necessary to house these new workers. In terms of future projections, the City's expansion of areas for higher density housing, such as in the *Beach and Edinger Corridors Specific Plan* and *Downtown Specific Plan*, contributes to the City's continued high rating under the Workforce Housing Scorecard, ranking 4<sup>th</sup> for the 2010-2035 period. The City also received the 2011 "Turning Red Tape into Red Carpet" Award of Excellence from the Orange County Business Council for the Huntington Beach Ten Point Plan for Local Business.



Plaza Almeria Mixed Use

## B. HOUSEHOLD PROFILE

Household type and size, income levels, and the presence of special needs populations all affect the type of housing needed by residents. This section details the various household characteristics affecting housing needs in Huntington Beach.

### 1. Household Type

A household is defined as all persons living in a housing unit. Families are a subset of households, and include persons living together related by blood, marriage, or adoption. A single person living alone is also a household. "Other" households are unrelated people residing in the same dwelling unit. Group quarters, such as dormitories or convalescent homes are not considered households.

According to the 2010 Census, 74,285 households reside in Huntington Beach, with an average household size of 2.55 persons and average family size of 3.07 persons. This represents a decrease in household size (2.62) from 1990, and is well below the Countywide average household size of 2.99 persons. The City's smaller household size reflects its lower incidence of family households with children and aging population. Within the Sunset Beach community (annexed to the City after the 2010 Census), 44 percent of the area's approximately 500 households live alone and just 43 percent are families, contributing to an average household size of merely 1.89 persons.

Nonetheless, families continue to comprise the majority of households in Huntington Beach (65%), including families with children (27%), and those without children (38%). Over the past two decades, the proportion of families with children has decreased from 31 to 27 percent of all households. In contrast, the proportion and number of single-person households grew modestly, while other non-family households (unrelated roommates) declined. Of the net increase in 5,400 new households added to the City between 1990-2010, all was due to the growth in single-person households and families without children. These growth trends support the need for smaller, higher density and mixed-use units close to transportation and services, consistent with the types of housing currently being developed and planned for in the *Beach and Edinger Corridors Specific Plan* and *Downtown Specific Plan*.

**Table II-6: Household Characteristics 1990-2010**

Household Type	1990		2010		
	Households	Percent	Households	Percent	Orange Co. %
Families	45,546	66%	48,218	65%	71%
With children	21,103	(31%)	20,004	(27%)	(34%)
Without children	24,443	(35%)	28,214	(38%)	(37%)
Singles	14,784	22%	18,489	25%	21%
Other non-families	8,549	12%	7,578	10%	8%
<b>Total Households</b>	<b>68,879</b>	<b>100%</b>	<b>74,285</b>	<b>100%</b>	<b>100%</b>
Average Household Size	2.62		2.55		2.99
Average Family Size	3.09		3.07		3.47

Source: U.S. Census 1990 and 2010.



## 2. Household Income

The State and Federal government classify household income into several groupings based upon the relationship to the County adjusted median income (AMI), adjusted for household size. The State of California utilizes the income groups presented in Table II-7, which are thus used throughout the Housing Element.

**Table II-7: State Income Categories 2012**

Income Category	% County Area Median Income (AMI)	2012 Orange County Income Limits			
		1 person household	2 person household	3 person household	4 person household
Extremely Low	0-30% AMI	\$20,250	\$23,150	\$26,050	\$28,900
Very Low	0-50% AMI	\$33,750	\$38,550	\$43,350	\$48,150
Low	51-80% AMI	\$53,950	\$61,650	\$69,350	\$77,050
Moderate	81-120% AMI	\$71,650	\$81,900	\$92,100	\$102,350
Above Moderate	120%+ AMI	> \$71,650	> \$81,900	> \$92,100	> \$102,350

Source: California Dept of Housing and Community Development, 2012 Income Limits.

Table II-8 presents the distribution of household income in Huntington Beach by income category measured as a percentage of the County median. While above moderate income households (>120% AMI) are the most dominant at 46 percent, Huntington Beach does have its share of lower income households, with 36 percent of households earning less than 80 percent of the County median. Over the past two decades, the Census documents a continued increase in the proportion of lower income households in Huntington Beach, increasing from 23 percent in 1990, to 30 percent in 2000 and 36 percent in 2010. Extremely low income households, in particular, are vulnerable to rising housing costs.

**Table II-8: Household Income Distribution 2010**

Income Level	Households	%
Extremely Low Income	7,422	10%
Very Low Income	7,152	10%
Low Income	12,280	16%
Moderate Income	13,514	18%
Above Moderate Income	34,239	46%
<b>TOTAL</b>	<b>74,627</b>	<b>100%</b>

Source: SCAG Existing Housing Needs Statement, July 2011.

Many of the workers who make up Huntington Beach's workforce earn modest incomes, making it challenging to afford to live in the City. Table II-9 presents a sampling of occupations which fall within very low, low and moderate income thresholds (based on a single worker, two person household). The analysis of housing costs and affordability presented later in this section compares current market rents and sales prices in Huntington Beach with the amount that households of different income levels can afford to pay for housing. This analysis illustrates that very low income and many low income occupations can not afford the average rents in the City. In contrast, moderate income households can afford rental housing and even many of the for-sale condominiums in the City.



**Table II-9: Orange County Wages for Select Occupations 2012**

<b>Very Low Income (&lt; \$38,550)</b>	<b>Mean Hourly Wage</b>	<b>Mean Annual Income</b>	<b>Max. Affordable Housing Cost</b>
Waiters/Waitresses	\$10.72	\$22,294	\$557
Home Health Aides	\$11.91	\$24,782	\$620
Child Care Workers	\$12.88	\$26,807	\$670
Bank Tellers	\$13.42	\$27,925	\$698
Retail Salespersons	\$13.66	\$28,417	\$710
Nursing Aides, Orderlies, and Attendants	\$14.02	\$29,149	\$729
Security Guards	\$14.24	\$29,621	\$741
Emergency Medical Technicians and Paramedics	\$14.52	\$30,201	\$755
Preschool Teachers, except Special Education	\$16.61	\$34,547	\$864
<b>Low Income (\$38,550-\$61,650)</b>	<b>Mean Hourly Wage</b>	<b>Mean Annual Income</b>	<b>Max. Affordable Housing Cost</b>
Tax Preparers	\$19.37	\$40,295	\$1,007
Bookkeeping, Accounting & Auditing Clerks	\$20.32	\$42,271	\$1,057
Bus Drivers, Transit and Intercity	\$20.48	\$42,597	\$1,065
Child, Family, and School Social Workers	\$20.56	\$42,772	\$1,069
Retail Sales Manager	\$21.47	\$44,650	\$1,116
Real Estate Sales Agent	\$25.94	\$53,952	\$1,349
Food Service Managers	\$26.76	\$55,660	\$1,392
Architectural and Civil Drafters	\$27.88	\$57,997	\$1,450
Carpenters	\$28.18	\$58,624	\$1,466
<b>Moderate Income (\$61,650-\$81,900)</b>	<b>Mean Hourly Wage</b>	<b>Mean Annual Income</b>	<b>Max. Affordable Housing Cost</b>
Occupational Therapist Assistants	\$30.02	\$62,447	\$1,561
Market Research Analysts	\$33.16	\$68,977	\$1,724
Chemists	\$33.25	\$69,152	\$1,729
Firefighters	\$34.01	\$70,743	\$1,769
Librarians	\$34.77	\$72,324	\$1,808
Computer Programmers	\$36.40	\$75,706	\$1,893
Property and Real Estate Managers	\$36.52	\$75,972	\$1,899
Architects (except Landscape and Naval)	\$37.96	\$78,955	\$1,974
Medical Scientists (except Epidemiologists)	\$38.97	\$81,067	\$2,026

Source: 2012 California Occupational Employment Statistics – Orange County; 2012 State HCD Income Limits. Income categories based on two person household with single wage earner.

Max affordable housing cost based on 30% of income, including rent/mortgage, utilities, taxes, insurance, HOA fees.

## Lower Income Neighborhoods

Based upon 2000 census household income data, Huntington Beach contains eight geographic areas that qualify as “lower income” (< 80% AMI) based upon HUD’s criteria for the City.<sup>5</sup> The City Council has designated these as “Enhancement Areas” for prioritization of Community Development Block Grant (CDBG) resources for rehabilitation and code enforcement. These enhancement areas are illustrated in Figure 2, and include the following neighborhoods: Bolsa Chica-Heil, Goldenwest, Washington, Oak View, Newland, Garfield, Yorktown and Adams.

City Code Enforcement staff conducted a Citywide housing conditions survey to identify deteriorating areas. Based on the results of this survey, in August 2007 the City Council adopted a resolution designating four areas of concentrated deteriorated housing as special CDBG code enforcement areas, thus refining the boundaries of the prior Enhancement Areas. A map of the designated special code enforcement areas is presented later in the section on housing conditions (refer to Figure 5).

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<sup>5</sup> HUD has established an exception criteria for Huntington Beach of 40.3%, meaning that census block groups must contain a minimum 40.3% lower income (<80% AMI) households to qualify as a “low/mod” target area.



## 2. Housing Type and Tenure

Table II-13 presents the mix of housing types in Huntington Beach, and illustrates the relatively stable mix of single-family (61%) and multi-family (35%) units over the past two decades. Huntington Beach also has 18 mobilehome parks with just under 3,100 mobilehome units, comprising 4 percent of the City's housing. Among the approximately 650 housing units within Sunset Beach, 60% are single-family and 40% are multi-family.

**Table II-13: Housing Type 1990-2010**

Unit Type	1990		2000		2010	
	Units	Percent	Units	Percent	Units	Percent
Single-Family (SF) Detached	34,537	48%	36,952	49%	38,512	49%
SF Attached	8,904	12%	9,457	12%	9,119	12%
<i>Total SF</i>	<i>43,441</i>	<i>60%</i>	<i>46,409</i>	<i>61%</i>	<i>47,631</i>	<i>61%</i>
2 to 4 Units	9,487	13%	9,666	13%	9,249	12%
5 or more units	16,608	23%	16,463	22%	18,036	23%
<i>Total Multi-Family</i>	<i>26,095</i>	<i>36%</i>	<i>26,129</i>	<i>35%</i>	<i>27,285</i>	<i>35%</i>
<i>Mobile Homes &amp; Other</i>	<i>3,200</i>	<i>4%</i>	<i>3,141</i>	<i>4%</i>	<i>3,087</i>	<i>4%</i>
<b>Total Housing Units</b>	<b>72,736</b>	<b>100%</b>	<b>75,679</b>	<b>100%</b>	<b>78,003</b>	<b>100%</b>
<b>Vacancy Rate</b>	<b>5.3%</b>	<b>--</b>	<b>2.7%</b>	<b>--</b>	<b>4.8%</b>	<b>--</b>

Source: U.S. Census 1990, 2000, 2010. Dept of Finance 2010 Population and Housing Estimates.

Housing tenure refers to whether a housing unit is owned, rented or is vacant. According to the 2010 Census, 60 percent of Huntington Beach's households were homeowners, comparable to the County as a whole, yet representing a slight decrease from the City's 61 percent homeownership rate in 2000. Homeownership rates have declined nationwide over the past decade, reflecting the impact of the economic recession and financial crisis of 2008-2009, and subsequent bursting of the housing bubble. Within Sunset Beach, at 59 percent, renters comprise the majority of households.

**Table II-14: Housing Tenure 1990-2010**

Occupied Housing Units	1990		2000		2010	
	Households	Percent	Households	Percent	Households	Percent
Renter	28,595	42%	28,999	39%	29,371	40%
Owner	40,284	58%	44,658	61%	44,914	60%
Total	68,879	100%	73,657	100%	74,285	100%

Source: U.S. Census, 1990, 2000, 2010.

Figure 4 illustrates the percentage of renter households in Huntington Beach by census tract. As depicted, the highest concentrations of renters (over 60%) are generally located in the following neighborhoods: central Huntington Beach between Talbert and I-405, east of Goldenwest (including the Oak View, Newland and Washington neighborhoods); west of Beach Boulevard and south of Garfield (including the Yorktown-Lake and Garfield neighborhoods); and a small neighborhood located west of Bolsa Chica and north of Warner. Many of these neighborhoods with high concentrations of renters also correspond to the City's lower income census tracts (refer to Figure 2).



